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BCStats

Infoline

Contact: bcstats.infoline@gov.bc.ca Issue: 11-05 February 4th, 2011

- **BC's unemployment rate jumps to 8.2% in January**
- **International migration drives Vancouver's population to 2.4 million at July 1, 2010**
- **Food service and drinking places industry receipts dip 0.4% in November**

Labour Force

- **Starting the New Year on a somewhat sour note, the province's unemployment rate climbed 0.6 percentage points to 8.2% in January.** This is the highest that BC's jobless rate has been since June 2009 and the first time since 2004 that BC's rate of unemployment has exceeded the national average.

  Sliding employment (-0.4%) and an expanding labour force (+0.3%) together conspired to put upward pressure on the province's unemployment rate. Part-time employment dropped sharply (-4.0%) in January, but this was partially offset by an increase in the number of full-time jobs (+0.7%).

  Data Source: Statistics Canada

- **The number of people employed in the goods sector dropped (-3.8%) in January, due primarily to a decline (-7.4%) in manufacturing.** Agriculture (-9.9%) and utilities (-7.2%) also registered losses in employment. Employment in the services sector rose slightly (+0.4%) as reductions in both professional, scientific & technical services (-6.6%) and transportation & warehousing (-4.9%) were offset by increases in finance, insurance & real estate (+7.5%) and accommodation & food services (+4.3%). *Data Source: Statistics Canada*

- **At the regional level, unemployment rates (*3-month moving average, unadjusted*) ranged from a low of 6.9% in Vancouver Island/Coast to a high of 9.0% in both Northeast and Thompson/Okanagan.** Compared to the same month in 2010, jobless rates have fallen in most regions of the province with Northeast (9.0% versus 4.9% in January 2010) and Thompson/Okanagan (9.0% versus 8.7% in January 2010) being the only exceptions.

  Data Source: Statistics Canada

- **Nationally, employment was up (+0.4%) for a second straight month.** However, Canada's overall unemployment rate edged 0.2 percentage points higher to 7.8% due to an increased number of people looking for work. Employment was up in nearly all provinces, most notably in Ontario (+0.5%) and Alberta (+1.1%). BC (-0.4%) and New Brunswick (-0.3%) were the only provinces that posted employment losses in January.

  Data Source: Statistics Canada

Population

- **International migration continues to be responsible for much of the population growth in the census metropolitan area (CMA) of Vancouver.** At July 1, 2010 the population of the province's largest CMA reached 2,391,252, a net increase of 54,086 from the same date one year earlier. A substantial portion of this increase was attributable to the 41,109 net international migrants who arrived in the area. Vancouver saw a net outflow of people to other regions of the province (-1,946 persons), but welcomed a notable number from other provinces (net +4,499). Compared to the rest of the country, the population growth rate in Vancouver (+2.3%) ranked second among all CMAs, after Saskatoon (+2.8%). As of July 1st 2010, the median age of Vancouver's population was 39.1 years, slightly below the median age for the country as a whole (39.7 years).

  While there were 240 more deaths than births in the Victoria CMA, its population rose to

Report **Revisions to the Labour Force Survey**

Did you know...

Only half (50%) of Canadian parents strongly agree that they feel confident enough to help their children with their homework. *Source: Ipsos Canada*

358,054. This was the result of the net arrival of more migrants from all sources: other countries, other parts of Canada and other parts of BC. Abbotsford-Mission (+2,430) and Kelowna (+723) also saw their populations increase over July 1st of 2009. Victoria's growth rate (11.3 per 1,000 population) was slightly behind that of Abbotsford-Mission (14.0), but much higher than that of Kelowna (4.1). Victoria's median age was 43.5 years in 2010. *Data Source: Statistics Canada*

The Economy

- **Sales in the province's food services and drinking places industry hovered at about $663 million (*seasonally adjusted*) in November, a slight decrease (-0.4%) from the previous month.** Nationally, sales edged down 0.2% to $4.1 billion as receipts declined for full-service restaurants (-0.3%) and drinking places (-0.6%). Five provinces saw sales dip in November, with declines ranging from 0.3% in New Brunswick to 1.9% in Alberta.

  Data Source: Statistics Canada

- **Sawmills and planing mills in the province produced 10.3% more lumber in November than in the same month of 2009.** Mills in the Interior ramped up their output by 10.5%, while production at coastal mills rose 9.2%. Canadian lumber production jumped 14.1%, due to significant upturns in most of the nation's lumber producing provinces, particularly Quebec (+23.0%). Year-to-date, BC sawmills have accounted for over half (52%) of the lumber production in Canada.

  Data Source: Statistics Canada

Research & Development

- **The total number of research and development personnel in BC reached was just shy of 23,000 full-time equivalents in 2008, making up 9% of the Canadian total (close to 243,000).** Ontario (45%) and Quebec (31%) had more research personnel than any other region. Most of the BC R&D personnel worked in business enterprises (14,500) and higher education institutions (7,430).

  Data Source: SC Cat. no. 88-001-XIE

Film and Video

- **A slight (+2.5%) climb in revenues among Canada's film and video distributors, coupled with relatively stable expenses, boosted the industry's profit margin to a healthy 21% in 2009 (up from 19% in 2008).** Film and video distributors get most of their revenues from sales to theatres and TV broadcasters. Ontario firms dominated Canadian distribution, earning 86% of total operating revenues in 2008, while Quebec companies accounted for 13%.

  Data Source: SC Cat no. 87-F0010-XIE

The Nation

- **Canada's real gross domestic product (GDP) rose for a second straight month, increasing 0.4% in November.** Mining and oil & gas extraction continued to strengthen as GDP climbed 1.3%, building on gains made (+1.9%) in the previous month. Retail (+1.4%) and wholesale (+1.5%) trade made solid advances in November, with the finance & insurance sector (+0.7%) registering a more moderate increase. *Data Source: Statistics Canada*

- **Prices for Canadian manufactured products were notably higher in December (+2.9%), compared to the same month of 2009, marking the ninth consecutive year-over-year increase.** Upward pressure came mostly from higher prices for petroleum & coal (+13.7%) and primary metal (+11.4%) products. Prices for raw materials saw a double-digit rise, resulting from higher prices for mineral fuels (+13.0%), non-ferrous metals (+17.8%) and vegetable products (+28.6%).

  BC softwood lumber prices continued to climb, increasing 1.5% overall. Meanwhile, pulpwood chip prices jumped 5.8% from December of 2009. *Data Source: Statistics Canada*

***Infoline** Issue: 11-05*
February 4th, 2011

For data originating from Statistics Canada, data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the catalogue number.

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Infoline Report

Revisions to the Labour Force Survey

Starting with the release of the January 2011 data from the Labour Force Survey (LFS) (published February 4, 2011), LFS estimates will be based on 2006 Census population counts and sub-provincial estimates will correspond to 2006 Census boundaries. These revisions will have a minor impact on the LFS estimates as rates of unemployment, employment, and labour force participation will remain essentially unchanged. Since these changes are considered minimal, LFS estimates will be revised back only to 1996.

Up to December 2010, the LFS estimates had been based on population data from the 2001 Census. With this revision, the LFS estimates now reflect the most recent series of postcensal population estimates.

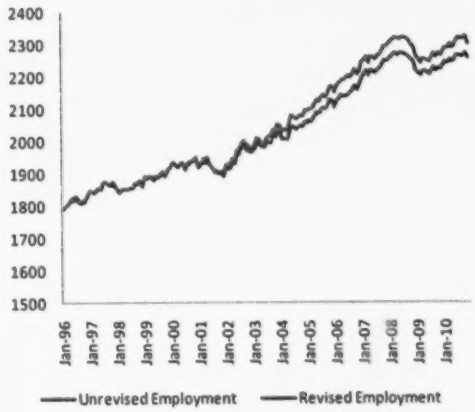
Geographic boundaries will be updated to reflect the 2006 Census boundaries and with this update BC will now have data for the Kelowna CMA. The Economic Regions and Employment Insurance regions remain unchanged.

In addition, Statistics Canada has moved to the more recent classification structures for industry and occupation coding. Industry information will now be based on the North American Industry Classification System 2007 (NAICS 2007) and occupational information will be based on the National Occupational Classification – Statistics 2006 (NOC-S 2006). Changes to the industry coding system were relatively minor and the revisions were extended back to January 1987.

EMPLOYMENT

In BC, the employment increase from July 2009 to December 2010 based on the revised estimates was weaker compared to the previous estimates. Based on the revised estimates, employment grew by 2.4% (+53,900), compared to the previously stated increase of 2.5% (+55,500). This difference is mostly due to less population growth in the revised estimates among the core working age (25-54 years) population, the group with the highest employment rate.

Comparison of revised and unrevised levels of employment, seasonally adjusted from January 1996 to December 2010



The new employment estimates also show that growth was slightly slower over the year 2010 than previously reported using the old figures. From December 2009 to December 2010, the revised employment estimates recorded a growth rate of 1.4% (+32,300) compared to 1.5% (+35,100) with the previous estimates. The unemployment rate was little changed between the revised and unrevised figures over the year. The revised estimates show a drop of 0.7 percentage points in the unemployment rate to 7.6% and the unrevised data show a decline of 0.5 percentage points (also to 7.6%).

The revised and unrevised rates of employment and participation followed the same trend line in the past few years. However, while the unemployment rates were generally the same, the new employment and participation rates were slightly lower than the previously stated rates, down by 0.2 to 0.7 percentage points in the last 24 months.

This is due to slower population growth reflected in the new estimates.

Comparison of revised and unrevised participation rates, seasonally adjusted from January 2000 to December 2010

INDUSTRY EMPLOYMENT

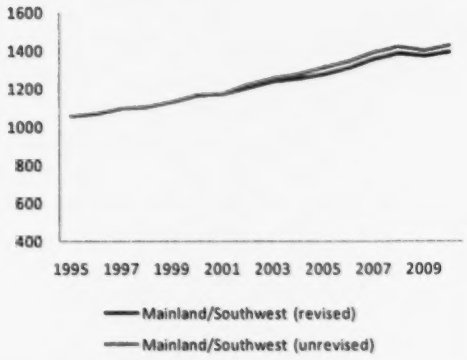
Consistent with the revised population figures, employment in the goods and services sectors was also revised downward. Given these new estimates, employment in the goods sector rose 0.9% (+3,900) between 2009 and 2010 compared to 1.0% (+4,300) using the older figures. This difference was readily apparent in the forestry, fishing & mining sector, where employment gains were scaled back to an increase of 0.7% (+300) in 2010 compared to an increase of 4.7% (+1,900) estimated originally. In the construction sector, employment losses of 0.1% (-300) have now been revised to a more substantial decline of 1.1% (-2,200) for 2010. Manufacturing, on the other hand, saw an increase in employment as a result of the revisions. Originally estimated to have registered a 2.4% (+3,900) increase in employment in 2010, the sector has now been re-estimated to yield an increase of 3.1% (+5,000).

Based on the revised estimates, employment in the services sector rose 2.0% (+34,700) in 2010 compared to the previously stated increase of 2.3% (+40,900). Employment in the trade sector grew an estimated 2.4% (+8,500), up from the 1.0% (+3,500) growth previously reported. However, based on the revised figures, employment in heath care & social assistance rose at a slightly slower rate of 3.0% (+7,700) compared to the 3.9% (+10,200) growth estimated using the unrevised data.

REGIONAL EMPLOYMENT

Mainland/Southwest, previously estimated to have registered a 1.6% (+22,700) increase between 2009 and 2010, has been downgraded to a 1.4% (+19,200) as a result of the recent revisions. However, this revision did not affect the region's unemployment rate, which remained at 7.6% for 2010.

Comparison of revised and unrevised levels of employment, Mainland/Southwest 1995 to 2009



Employment growth in Thompson/Okanagan was also scaled back slightly from 4.2% (+10,700) to 3.7% (+9,200) for 2010. However, unlike Mainland/Southwest, this adjustment pushed Thompson/Okanagan's unemployment rate up 0.2 percentage points from 8.4% to 8.6%.

In Northeast, where employment was originally estimated to have risen 6.2% (+2,300), job gains have been revised to a more moderate 3.4% (+1,200). As a result, Northeast's unemployment rate was pushed 0.1 percentage points higher to 6.8%.

In Cariboo, employment grew 6.4% (+4,800), which was slightly slower than the gain of 7.0% (+5,300) that was reported prior to data revisions. Unemployment in Cariboo was also revised down 0.1 percentage points from 8.2% to 8.1%.

Kootenay was among the least affected regions of the province with an estimated decline in employment of 2.3% (-1,600), up slightly from an earlier estimated drop of 2.4% (-1,700). The resulting unemployment rate for 2010 was correspondingly revised upward from 9.2% to 9.3%.

For North Coast/Nechako, employment was previously estimated to have fallen 2.5% (-1,000), but is now believed to have declined 2.7% (-1,100). This pushed the unemployment rate in North Coast/Nechako 0.2 percentage points higher from 10.0% to 10.2%.

In Vancouver Island/Coast, the revisions had no impact on either the change in the level of employment or the unemployment rate for 2010.

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BC at a glance . . .

POPULATION (thousands)	Oct 1/2010	% change on one year ago
BC	4,551.9	1.5
Canada	34,238.0	1.2
GDP and INCOME (Released Nov 4)		
(BC - at market prices)	2009	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	191,006	-3.4
GDP *($ 2002 millions)*	161,851	-1.8
GDP *($ 2002 per Capita) (reflects revised pop)*	36,287	-3.5
Personal Disposable Income *($ 2002 per Capita)*	25,374	-1.9
TRADE ($ millions, seasonally adjusted)		% change on prev. month
Manufacturing Shipments - Nov 2010	3,012	1.5
Merchandise Exports - Nov 2010	2,407	-1.6
Retail Sales - Nov 2010	4,950	1.3
CONSUMER PRICE INDEX	% change on	12-month avg
(all items - Dec 2010)	one year ago	% change
BC	2.4	1.4
Vancouver	2.5	1.7
Victoria	2.0	1.0
Canada	2.4	1.8
LABOUR FORCE (thousands)		% change on
(seasonally adjusted)	Jan 2011	prev. month
Jobs Created (-Lost) - BC	-9.1	
Labour Force - BC	2,452.0	0.3
Employed - BC	2,251.6	-0.4
Unemployed - BC	200.4	8.4
		Dec 2010
Unemployment Rate - BC *(percent)*	8.2	7.6
Unemployment Rate - Canada *(percent)*	7.8	7.6
INTEREST RATES (percent)	Feb 2/2011	Feb 3/2010
Prime Business Rate	3.00	2.25
Conventional Mortgages - 1 year	3.35	3.60
- 5 year	5.19	5.39
US-CANADA EXCHANGE RATE	Feb 2/2011	Feb 3/2010
(avg. noon spot rate) Cdn $ per US $	0.9883	1.0609
(closing rate) US $ per Cdn $	1.0119	0.9413
AVERAGE WEEKLY WAGE RATE		% change on
(industrial aggregate - dollars)	Jan 2011	one year ago
BC	828.54	2.2
Canada	835.31	2.6

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bankofcanada.ca

Sub-Provincial Population Estimates

2010 estimates of population for municipalities, regional districts and development regions are now available. Estimates for 2006 to 2009 have also been revised.

www.bcstats.gov.bc.ca/data/pop/pop/mun/CurrentPopulationEstimates.pdf

Science Related Occupations

How many people work in science-related occupations? Which industries employ them? What's the labour market outlook for workers in these occupations? A recently-released report on science-related occupations explores these issues. On WorkBC site; authored by BC Stats.

http://workbc.ca/docs/BC_Science_Related_Occupations.pdf

Trade Occupations Outlook to 2019

The BC Trade Occupations Outlook report provides an outlook for trade occupations for the province as a whole, as well as for its seven development regions for the period 2009-2019. The analysis is based on a representative list of 15 trade occupations covering 82 separate trades and over 85 percent of active B.C. apprentices as of June 30, 2010. Selected occupations are concentrated in two NOC skill types: Trades, Transport and Equipment Operators and Related Occupations (NOC7), and Sales and Service Occupations (NOC6). The occupational forecast included in this report comes from the B.C. Labour Market Outlook: 2009-2019 report, which was produced from B.C.'s new Labour Market Scenario Model.

http://workbc.ca/docs/BC_tradesoccupationoutlook_2009-2019.pdf

Released this week by BC Stats

- Business Indicators, January 2011
- Labour Force Statistics, January 2011

Next week

- Tourism Sector Monitor, January 2011
- Earnings & Employment Trends, January 2011
- Exports, December 2010

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